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Changing Patterns in Eastern Europe

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DIRECTOR OF CENTRAL INTELLIGENCE

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CHANGING PATTERNS IN EASTERN EUROPE

THE PROBLEM

To assess the situation and outlook in the Eastern European countries and their external relations over the next few years.

CONCLUSIONS

A. Eastern Europe has entered upon its third post-Stalin phase. The years 1953-1957 were marked by popular upheavals and the danger of disintegration, and the next several years by consolidation and relative quiet. The present is marked once more by a preoccupation with change and we look for a period of political liveliness and fluidity. (*Paras. 1-11, 22*)

B. In the minds of most Eastern Europeans, however, the basic fact of Communist rule is not now in dispute. It is rather the question of the national future, within the framework of a Communist system, which is being subjected to examination and experiment. The internal issues are those of liberalization and economic reform. These in turn are closely related to the problems of autonomy within the Communist camp and relations with the West. Increasingly, the leaders of Eastern Europe are feeling free to approach these questions less in the light of Soviet wishes or the supposed common interests of the Bloc, more in the light of national aspirations and local political conditions. (*Paras. 8, 12, 24*)

C. One result of this trend, which is likely to continue for the next several years, is a growing diversification in Eastern Europe. Outsiders, including the USSR, will find it increasingly hard to apply a general analysis and a general policy to the area. We expect in most of these countries some movement toward political liberalization and a search for better balance and more efficient methods in managing

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the economy. Economic progress, while likely to show some improvement over the generally dismal record of the last two years, will not be such as to diminish dissatisfaction and impatience in the near future. Political evolution is not likely to proceed at a speed which threatens the Communist regimes. (*Paras. 22, 24-25, 29-30, 33*)

D. In external relations, we expect a similar uneven evolution away from the tutelage of Moscow and toward closer contacts with Western Europe and the US. We believe that the Soviets would consider direct military intervention in Eastern Europe only in emergency circumstances, when they believed vital Soviet interests to be threatened. In political terms, the irreducible Soviet demand probably is that these regimes should remain professedly Communist and continue at least formal membership in the Warsaw Pact. So long as these limits are not transgressed we believe that the USSR is prepared to tolerate considerable divergence in internal policies and even to acquiesce reluctantly in further manifestations of independence in foreign policy. Most countries will almost certainly seek to develop their economic and cultural relations with the West at a rapid rate, though the economies of Eastern Europe will remain closely tied to that of the USSR. (*Paras. 24, 31-32, 34, 36*)

E. Though we believe that these trends will unfold gradually and without major upheavals, we are conscious of the possibility of sharp instability and even violent shifts. The chances of change of this sort depend to some extent upon each country's success in managing domestic problems and party factionalism. Developments in the Soviet Union will probably be equally important. If the USSR continues to falter in its competition with the West, to lose prestige in the contest within the Communist movement, or to give an impression of uncertainty in its policy, Eastern European nationalism may be moved to bolder ventures. These possibilities will also be heightened during the succession period in Soviet politics, which is likely to breed factionalism, nervousness, and exaggerated hopes and fears in Eastern Europe. (*Paras. 26-27*)

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DISCUSSION

I. THE SITUATION IN EASTERN EUROPE

The USSR and Eastern Europe

1. When Stalin died in 1953, Soviet control over Eastern Europe was strong and the Satellite regimes could not have survived without it. Stalin had assured direct political control by installing obsequious leaders such as Rakosi and Bierut and supervising them on the spot through Soviet ambassadors and periodically through official party emissaries. Stalin had also frequently engineered purges within the Communist parties to eliminate real or potential dissidents. The secret police were controlled from Moscow by an elaborate system of Soviet "advisers" and by direct penetration at all levels. Soviet officers controlled the Satellite armed forces, with the help of Soviet "advisers" attached to staffs down to fieldgrade level. Political control was augmented by direct control over the economies, which were still being exploited by the USSR. Moscow supervised all planning, trade was largely limited to Bloc partners, and contact of every kind with the outside world was minimal.

2. Upon coming to power, Khrushchev regarded it as important to correct what he considered to be Stalin's gross errors of policy towards Eastern Europe—in particular, his blatant exploitation of the Satellite economies and his arbitrary, coercive approach. He therefore set out to establish Soviet relations with these countries on a new basis—one which relied less on coercion and more on voluntary cooperation. Khrushchev also considered it a major error that Yugoslavia had been excluded from the bloc of Communist states, and he strove to bring Yugoslavia back into it.

3. Khrushchev made some progress in 1955 and early 1956, but the convulsions in Poland and Hungary later that year showed that he had seriously underestimated the problem. Clearly the Communist regimes were not strongly enough established to resist nationalism and pressures for liberalization. Accordingly, in 1957, Khrushchev moved to reconstitute the fabric of Soviet authority in Eastern Europe, in the process calling on Chinese assistance and thereby encouraging Peiping's larger ambitions. The Bloc was consolidated at the Moscow conference that year, but at the price of the continued exclusion of Yugoslavia.

4. When in later years the dispute between the USSR and China became evident, the role of each individual Communist party took on new importance.¹ Not only was Soviet authority openly challenged, but China's insistence on a general condemnation of Yugoslavia made that country again a central prob-

¹ For a fuller discussion of the impact of the Sino-Soviet dispute on Eastern Europe, see NIE 10-2-64, "Prospects for the International Communist Movement," dated 10 June 1964, paragraphs 7-12.

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lem in Bloc politics. The interaction of these two developments led to a serious Soviet defeat in Eastern Europe, when Albania successfully defied the USSR and joined with China against Moscow. The Albanian leaders' hostility to Khrushchev and to his rapprochement with Tito arose from their acute fears of a Moscow-Belgrade conspiracy to restore Yugoslav hegemony over Albania. The Soviets were unable by political subversion and pressure or by economic sanctions to bring the Albanians to heel and proved unwilling to resort to military force because of the practical and political difficulties involved.

5. As the Sino-Soviet dispute intensified, Khrushchev was forced to defend more vigorously his efforts to re-establish some relationship between Tito and the Soviet Bloc. Despite the lessons of 1955-1956, the imperatives of the Sino-Soviet conflict led Khrushchev to urge the other East Europeans to follow the Soviet lead in improving relations with Yugoslavia. In this process, however, Khrushchev was forced to accept Tito largely on the latter's own terms. In fact, Khrushchev recognized Tito's "different road" to socialism, and even publicly endorsed certain Yugoslav innovations in Communist development. The Yugoslav and Albanian examples thus combined to suggest that the USSR on the one hand favored considerable autonomy, and on the other was limited in its ability to enforce predetermined limits.

6. This Soviet predicament has been dramatically demonstrated more recently by the behavior of Rumania. Rumanian intransigence was the product, primarily, of Gheorghiu-Dej's early opposition to de-Stalinization, of longstanding economic grievances against the USSR, and of increased confidence as a result of economic successes. Determined to pursue rapid industrialization come what may, the Rumanians refused to modify their economic development program in spite of pressure by the USSR and other Communist countries. An awakening nationalism, encouraged since 1962 by Soviet concessions to national sovereignty, has prompted the Rumanians to act more and more independently in various aspects of foreign policy. They have refused to support Soviet actions against China, and have even presumptuously offered to mediate the Sino-Soviet conflict. In April 1964 they openly declared their determination to act as an independent Communist country.

7. Meanwhile, in the early sixties, the pattern of relations in Eastern Europe was also affected by developments outside the Communist world. One factor of major importance was the new view of the world strategic balance which was a worldwide consequence of the Cuban missile crisis in 1962. Previously, East European Communists had been led to believe that the Soviets possessed an advantage in strategic weapons which would enable them to make major gains against the West. The crisis, however, made it evident that, far from possessing such an advantage, the Soviets were forced to draw back, and to alter their tactics toward the West. Similarly, the evident prosperity and vitality of Western Europe in the sixties cast doubt on Communist contentions about the direction of history and excited simple envy. The general result

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was to reduce Soviet prestige in Eastern Europe and encourage thinking about the future in more nationalistic terms.

Factors of Change

8. The consequence of this history is that, while the Soviet presence in Eastern Europe remains strong, there is now considerable scope for indigenous factors which are potentially inimical to that presence. Probably the strongest of these is nationalism, which has reappeared in dynamic form, most notably in Rumania and Slovakia. Whatever its direct targets and its peripheral benefits to certain Soviet policies (as in continuing fears of West Germany), nationalism in Eastern Europe is essentially incompatible with Soviet domination. Further, it is, as an emotional force, a particularly difficult form of opposition and pressure for the Soviets to combat. This is especially the case when it is able to gain a firm hold on the minds of the Communist leaders themselves, as it did in Hungary and Poland in 1956 and seems to be doing in Rumania in 1964. In any case, few Eastern European Communist leaders remain who are ready to execute Soviet desires without regard to the implications for their own country.

9. Related to this development is a trend away from a doctrinaire approach and toward greater moderation in internal policy. Throughout the area, the men who led in establishing the present regimes are growing old and are giving way gradually to a new generation whose experience with communism is not in staging a revolution but in managing a state. Whereas many of the attitudes and habits of the older leaders were conditioned by early training in the USSR, by revolutionary fervor, and by close ties with the Soviet party, many of the younger leaders, having no such bonds, tend to respond more to the needs and traditional attitudes of their own countries.

10. The gradual trend away from doctrinaire policies has also been the result of economic necessity. The realization is growing, especially in the more industrialized countries, that adequate economic performance depends increasingly on care and sophistication in planning and management. But in spite of much experimentation, there has been no real progress toward devising effective incentives in economies still run predominantly by command. Already, however, greater restraint is apparent in the adoption of less ambitious economic plans, a fact which should diminish the likelihood of serious mistakes and create more favorable conditions for technical and qualitative improvements.

11. Finally, throughout Eastern Europe the intelligentsia are exerting stronger pressures to end their isolation from the West and to find a way back to an association with cultural trends in Europe. They have been stimulated by periodic relaxations in Soviet cultural controls and by various official policies, such as increased encouragement of tourism, exchanges with the West, and discontinued or diminished jamming of Western broadcasts. Some of the leaders, such as Kadar, see benefits to themselves in accommodating these pressures. Others, notably Ulbricht, continue to try to repress them.

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Internal Developments

12. We believe that, barring external shocks, the Communist regimes are now fairly well established in Eastern Europe. They have developed strong apparatuses of power, and are able either to anticipate most problems of public order before they arise or to suppress them if they do. Moreover, the peoples of these countries for the most part have in the course of some 18 years become resigned to the continued existence of some form of Communist rule. The experience of 1956 in Hungary was especially instructive in bringing home the realization that they could expect little if any help from the West if they tried themselves to overthrow the Communist authorities.

13. Many problems continue, nonetheless, as potential threats to stability. General popular dissatisfaction with these regimes and their policies persists. Living conditions are a major source of discontent, especially in Poland and Czechoslovakia. Another problem, intellectual agitation for greater freedom and more contact with the West, has stimulated both popular disaffection and disagreement within and among the various parties. Indeed, factional differences continue to plague the Communist parties, and to weaken the positions of some present leaders. Finally, revived nationalism has in some cases stimulated these differences, and in others has affected the attitudes and policies of the Communist leaders themselves.

14. In contrast to the relatively rosy economic picture in Eastern Europe during the late fifties, a marked decline has occurred during the early sixties in rates of economic growth in the more industrially developed countries. In Czechoslovakia, industrial production actually fell in 1963 and GNP has scarcely increased at all for two years. There are a number of reasons for this decline of industrial growth in the northern countries. Industry is being operated virtually at full capacity, and especially in East Germany there is no longer a potential for easy growth through the use of existing plant. Except in Poland there is no longer a surplus of agricultural labor for use in industry. Foreign and domestic customers are demanding a more rapid improvement of technology and quality than the economies have been able to achieve under an inflexible system of economic management. Some temporary factors, such as grossly unrealistic planning and unfavorable weather conditions, have also contributed to the slowdown. In most of Eastern Europe agricultural production has stagnated, and there has been little improvement in personal consumption.

15. In Czechoslovakia the serious state of the economy has had important political effects. Dissatisfaction with Novotny's mishandling of the economy has joined with resentment against his slowness and clumsiness in de-Stalinization. As a result, outspoken criticism of the leadership occurred and demands were voiced in the press, especially in Slovakia, for justice to Stalinist purge victims and retribution against the purgers. These developments considerably sharpened traditional Czech-Slovak antagonism in the party and population, forcing Novotny to sacrifice some of his closest associates in the leadership

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and to make important political and economic concessions. Indeed, internal dissension came close last year to unseating Novotny himself. His concessions have by no means mollified the opposition, which continues to agitate for less doctrinaire and less restrictive policies. These developments have been accompanied by an intellectual ferment almost as intense as those in Poland and Hungary in 1955-1956, and by the re-emergence of nationalist fervor among Slovaks.

16. In Poland, Gomulka's popular image has deteriorated greatly since 1956, and he has also lost stature in the Communist Party. Though not nearly so intense or clearly defined as in 1956-1957, factionalism within the party has again become an important problem for Gomulka. The conservative or hard-line group, whose main strength is in the internal security apparatus, is manifestly out of sympathy with Gomulka's policies, and for that matter with Khrushchev's, which they consider much too "soft." The opposing faction, which has representatives in many ministries and among intellectuals, criticizes Gomulka for failure to get the economy moving and for imposing too many restrictions on political and social activity. With some justice, this group charges that the hard-liners are anti-Semitic and desire to restore discredited Stalinist policies. Further, there is widespread popular impatience with the failure of the Gomulka regime to achieve the expected improvement in living conditions, and with increasing restrictions imposed by the regime in daily life. The continuing conflict between Church and State also imposes strains within the government and upon the populace.

17. In East Germany, the Ulbricht regime continues to be greatly apprehensive of its populace and remains almost completely dependent on Soviet protection. Ulbricht has been a loyal instrument of Moscow during the GDR's entire existence, but his age and health have reached the point where someone else may shortly have to assume the burdens of his post. None of the likely candidates appears to possess his skills and experience, and the Soviets doubtless will be forced to carefully oversee developments during a succession period. The East German leaders are greatly concerned over the effect among their own intelligentsia of cultural currents and more liberal policies elsewhere in Eastern Europe, especially in Czechoslovakia. SED leaders several times have been moved to express open disapproval of developments in that country. Such cultural currents are making it more and more difficult for the Ulbricht regime to continue to suppress kindred developments in the GDR.

18. In Hungary, Kadar appears to have consolidated his leadership over his party. At the same time he has placed his country quietly on a gradualist and pragmatic course which has improved the political and economic climate. In this he has developed incentives and has encouraged participation in his internal program on the basis of practical rather than political qualification. He has even used Hungarian national feeling to his own advantage. In the process he has lost a good deal of his stigma as a Soviet puppet.

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19. In Bulgaria, on the other hand, Zhivkov seems largely to have failed where Kadar has succeeded. Zhivkov's abilities and his policies are not held in high regard by important elements in the party which would prefer to be led by the ousted Stalinist leader, Chervenkov, or the former premier, Yugov. These elements seize every opportunity (e.g., the Georgiev spy case last winter) to try to discredit Zhivkov and force a return to a more conservative line. Nevertheless, Zhivkov's position is greatly fortified by demonstrations of strong Soviet support; his willingness to follow Khrushchev's lead in both foreign and domestic policies has been rewarded by the extension of some \$600,000,000 in Soviet economic aid during the past several months. In any case, the principal issues within the Bulgarian party do not now seem to center around the question of Bulgaria's relations with the USSR; thus Zhivkov's removal would probably not lead to any "declaration of independence" by his successors.

20. While economic growth was slowing down in the northern countries, Rumania was booming. It achieved an unusually high rate of industrial growth during 1961-1963, mainly because consistently good harvests since 1958 and the availability of Western credits enabled the regime to finance greatly increased imports of industrial materials, machinery, and equipment from the West. Rumania's success in industrialization and its acquisition of modern up-to-date Western equipment increased the confidence of the Communist leaders, encouraging them to adopt a nationalistic position, especially in economic policy.

21. The Gheorghiu-Dej regime has until recently been reluctant to relax its coercive methods of control. Gheorghiu-Dej has long favored strict, even Stalinist, methods and has opposed the introduction of de-Stalinization in Rumania, partly because he felt this might undermine his own position. Yet the revival of nationalism in the past few years has strengthened the unity of the leadership and has helped the regime to find common ground with the populace, a process which the recently announced wage increases and tax cuts should assist. The considerable expansion in contacts and exchanges with the West has also had an ameliorative effect. Certain measures taken by the regime—principally the extensive release of political prisoners—suggest that the regime now feels able to relax its coercive policies toward the populace.

II. PROSPECTS

General

22. We believe that the next few years in Eastern Europe will be characterized by continued change and fluidity. In the political sphere, many regimes probably will attempt to enlist the support of a larger proportion of the populace. This would mean further curbs on the police and security organs, continued sufferance, within limits, of cultural ferment and the exchange of ideas, and greater toleration of non-Communist participation in public life. Greater leniency in internal policy will encourage, and be encouraged by, the development of closer cultural and political ties with Western countries. In the economic

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sphere, the regimes probably will tend to be more pragmatically inclined in their policies than in the past, and to place more reliance on incentives and less on political exhortation and manipulation. This trend will also be stimulated by the development of broader economic contacts with the West.

23. Nevertheless, the Communist regimes will still be swayed by the imperatives of the Communist system and their relations with the USSR. Some of them probably will be forced at times to employ harsh methods of control, and at other times to quicken the pace of economic or political concessions to the populace. Much will depend on the course of Soviet policy and the USSR's relations with the West and Communist China.

24. Generalizations will be more and more difficult to make about Eastern Europe. With the examples of Yugoslavia, Albania, and now Rumania before them, other Eastern European regimes can increasingly feel free to approach their problems in the light of national aspirations and the local political situation, saving their wholehearted endorsements of Soviet policy for those cases in which they truly share a common interest with the USSR. Traditional national antagonisms probably will again become important in relations between these countries, and between some of them and the USSR. Friction has already been apparent in relations between the Communist regimes of Hungary and Rumania over treatment of the Hungarian minority in Transylvania. We think that other differences of this kind will probably appear between some of these countries, and between some of them and Yugoslavia.

The Outlook for Political Stability

25. The Communist regimes are probably sufficiently strong and experienced to maintain public order. East Germany is the exception; the regime is chronically unstable, but the strong Soviet forces there are in a position to crush any disturbances quickly. Since the people are aware of this fact and remember 1953, such disturbances are not likely under present circumstances.

26. While we believe that change in Eastern Europe will be gradual, we do not exclude the possibility of sudden and even violent shifts. In each country, the chances of change of this sort depend to some extent upon success in containing popular dissatisfaction and avoiding gross economic mistakes. Even more important, stability will be endangered if the party proves unable to confine within its own upper circles the factionalism endemic to Communist politics. The disintegration which threatened the Polish party and overtook the Hungarian party in 1956 could proceed only because intraparty divisions came to involve the rank-and-file membership and the urban population as well. The Czechoslovak regime is currently experiencing difficulty of this nature, and a succession problem could intensify this danger in almost any of these countries. But we believe that, over the next few years, the various regimes will maintain sufficient unity to preserve essential stability.

27. Equally important will be the influence of developments in the Soviet Union. If the USSR continues to falter in its military and economic competition

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with the US, loses further prestige in the contest within the international Communist movement, and gives a continuing impression of uncertainty in its policy toward Eastern Europe, nationalism will be encouraged to bolder ventures. A particular threat to stability lies in the prospect of a succession struggle in the USSR; unless this is avoided or quickly ended, factionalism in Moscow will almost certainly breed factionalism, nervousness, and exaggerated hopes and fears in Eastern Europe. This would encourage some Communist leaders to test more vigorously the limits of Soviet permissiveness. Others, particularly those whose popular support was narrowest, would try to strengthen domestic discipline and to reinforce this by a close identification with the USSR.

28. The Gomulka regime, though still the most permissive in Eastern Europe, has retrogressed considerably from the degree of freedom which existed in 1956 and 1957, and some further encroachments on the freedom of the Poles are likely in the next few years. The regime will proceed cautiously, however, since it is aware that such a course could bring popular resentment to a dangerous point. The Novotny regime has had to do much to liberalize its internal policies in the past year or so; we believe that this trend will continue and that the other regimes will be influenced by it. We also expect the trend toward moderation to continue in Hungary. The Ulbricht regime is unlikely to alter its fundamental policies, although it may make some gestures, with Soviet encouragement, to ease internal pressures.

The Economic Outlook

29. The more industrialized countries of Eastern Europe are unlikely to find a quick way out of their difficulties. We expect in general that growth rates of the East European economies will be considerably below the levels achieved in the 1950's, although above those of 1962-1963. Such an economic performance is likely to be disappointing to the regimes in most of Eastern Europe and thus to be a source of contention over economic policy. Pressure will probably increase for giving a higher priority to raising personal consumption and reforming the economic system. In any event, it will take several years before living conditions in the industrialized countries can be improved markedly, so that popular impatience and dissatisfaction will probably remain strong.

30. We believe that many of these countries will continue to experiment with reforms of the economic system. Increased reliance probably will be placed on economic rather than ideological factors in planning, and further attempts made to simplify state controls, to increase the authority of enterprises in determining product assortment and methods of production, and to further improve price systems and incentives. Experiments also probably will be made toward allowing consumer demand to determine the assortment of consumer goods produced, and in making production for export more responsive to foreign demand. Changes now under consideration in Czechoslovakia, East Germany, and Poland, for example, are apparently of this nature. Such factors, however, as prudence, vested bureaucratic interests, and ideological conservatism will limit

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the pace of change and produce occasional reversals. The basic characteristics of central planning, state ownership, and collective agriculture will persist for a long time to come.

31. We believe that these countries will seek to develop closer economic relations with the West. The more industrialized countries are making serious efforts to produce manufactured goods meeting world standards. This is a long-range effort, but in the interim the developed West is showing an increased willingness to finance East European trade with credits. Rumania's special advantage—a surplus of basic commodities readily salable outside the Bloc—will depend to some extent on future agricultural conditions. As East European industry acquires advanced equipment from the West, this will increase dependence on non-Bloc sources for maintenance and new technology.

32. Closer economic ties with the West will probably be accompanied by improved relations in the political and cultural fields, and we expect Western Europe to be increasingly active in the next few years in attempts to exploit the changing situation. There are very strong traditional cultural bonds between many Eastern European peoples and the West, for example, those between Rumania and France; a marked revival of these ties would tend to leaven internal policy and encourage independence of the USSR. The Federal Republic is improving trade and cultural relations with these countries and eventually may find a formula permitting diplomatic relations. This may help to mitigate popular fears in Eastern Europe of a "resurgent" and "revanchist" West Germany, although the critical element here is Bonn's position with regard to frontiers. The prospect of improved relations between West Germany and Eastern Europe tends to undermine the position of East Germany. This effect is already evident in the "Berlin Clause" in recent trade agreements between West Germany and several Eastern European governments.

Relations Among Communist Countries

33. We thus believe that, over the next few years, the dominant trend in Eastern Europe will be toward diversity, toward autonomy within the framework of loosening Soviet rule. This trend presently benefits from the USSR's detente tactics toward the West and the still evolving Sino-Soviet dispute. Future developments in these spheres may intrude in an important way to check the processes of change in Eastern Europe. In general, however, we believe that the factors making for diversity and autonomy have vigorous roots, and that shifts in Soviet policy are more likely to affect the pace of this process than to reverse it.

34. As one consequence of this trend, we believe that economic cooperation among the CEMA countries will continue to develop primarily along bilateral lines. Rumania's current stand on this issue, which probably evokes considerable sympathy elsewhere, makes it unlikely that the Soviets will press broad schemes of economic integration for the entire area. There is, however, further scope for mutually advantageous specialization, particularly among the more developed

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countries. In any event, and even though trade with the West will almost certainly increase, the economies of Eastern Europe will remain closely tied to that of the USSR.

35. Rumania's successful assertion of national interests may stimulate similar moves by other East European states. For the most part, however, these regimes are likely to proceed in a circumspect fashion. Rather than openly differing with Soviet policy, for example, they will tend to press for a greater voice in the formulation of general Bloc policy prior to Moscow's official promulgations; rather than openly attacking CEMA, they will bargain for increased Soviet assistance and better terms of trade. Nevertheless, nationalism has on occasion led to bold and injudicious acts in Eastern Europe, and dramatic conflicts can by no means be ruled out in the future.

36. In such instances, the reassertion of Soviet authority would prove a very difficult matter. Political techniques of control have been much weakened, and we believe that the Soviets would consider direct military intervention in Eastern Europe only in emergency circumstances, when they believed vital Soviet interests to be threatened. In political terms, the irreducible Soviet demand probably is that these regimes should remain professedly Communist and continue at least formal membership in the Warsaw Pact. So long as these limits are not transgressed, we believe that the USSR is prepared to tolerate considerable divergence in internal policies and even to acquiesce reluctantly in further manifestations of independence in foreign policy. On other matters than the Warsaw Pact, perhaps Yugoslavia's position suggests the political limits of what the USSR, under sustained pressure, would be willing gradually to permit to other East European governments.

37. The Soviet strategic stake in Eastern Europe is complex. Soviet forces stationed there, particularly in East Germany, play an important role in Soviet strategy for general war, in maintaining stability in East Germany, and in deterring West Germany from thoughts of reunification by force. The air defense systems of Eastern Europe are coordinated with the Soviet system and for most practical purposes constitute an extension of that system; they provide both additional warning time and active defense against aircraft attacking the USSR from Western Europe. So long as attack by aircraft from the west can deliver substantial megatonnage on the USSR, the air defenses of Eastern Europe will be of great importance to the Soviets. All these concerns might be reduced by future developments in the German question and European security arrangements, but a complete Soviet withdrawal from East Germany could only be undertaken as part of a fundamental change in Soviet policy toward Central Europe.

38. Within these political and strategic limits, however, the Soviets probably will have to accommodate themselves to an increasing expression of national interests in Eastern Europe. In particular, they are likely to acquiesce in a considerable increase in Eastern Europe's economic and cultural relations with the West, including the US. In this matter they will find it difficult to press

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on their allies a more restrictive policy than the USSR itself practices. Thus we believe that the concern for self-preservation among the Communist regimes of Eastern Europe will be more important than Soviet misgivings and displeasure in limiting their economic and cultural relations with the West.

39. The patterns of change in East Europe are bound to be affected by and in turn to influence the German question. For some time to come the fear of Germany is likely to be one of Moscow's strongest cards in Prague and Warsaw. All the Eastern European governments are likely to see little to be gained from upsetting the status quo in Central Europe. Nevertheless, these attitudes are not permanently fixed, and they depend to a great degree on the situation in East and West Germany. Already, the West Germans have opened new lines of contacts and exchanges that could affect the attitudes of East Europeans, particularly those less directly concerned with Germany. At the same time, it is doubtful that East Germany can safely afford to follow the trends toward nationalism and liberalization of internal controls developing elsewhere in East Europe. It is thus conceivable that the difficulties arising from East Germany's anomalous position in Europe will become increasingly important both to the USSR and to the other Communist countries. Though other factors will be of great importance, such an evolution of attitudes is one of the developments which might lead to a Soviet re-evaluation of its German policy.

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